

FISCAL NOTE

TO: Chief Clerk of the Senate
Chief Clerk of the House

FROM: James A. Davenport, Executive Director

DATE: March 19, 1996

SUBJECT: **SB 3074 - HB 2987**

This bill, if enacted, will provide that construction management services which are provided for a fee and involve supervision of the planning, design, bid and construction phases of the project, but not the performance of actual construction work, are deemed to be professional services and may be performed by a qualified person on the basis of recognized competence and not on the basis of competitive bids.

The fiscal impact from enactment of this bill is estimated to be an increase in local government* expenditures to the extent local boards of education pay more for construction management services under the provisions of the bill than would otherwise have been spent using the competitive bid process. Such increase in expenditures cannot be determined but can be estimated to be not significant.

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director

*Article II, Section 24 of the Tennessee Constitution provides that: *no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.*

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